



JONATHAN E. FIELDING, M.D., M.P.H. Director and Health Officer

JONATHAN E. FREEDMAN

Chief Deputy Director

313 North Figueroa Street, Room 806 Los Angeles, California 90012 TEL (213) 540-8117• FAX (213) 975-1273 www.publichealth.lacounty.gov **BOARD OF SUPERVISORS**

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October 13, 2011

TO:

Each Supervisor

FROM

Jonathan E. Fielding, M.D., M.P.H

Director and Health Officer

SUBJECT:

NOTIFICATION OF THE USE OF DELEGATED AUTHORITY TO AMEND TWO CONTRACTS FOR THE PROVISION OF DRUG/MEDI-CAL SERVICES

This is to notify you that I am exercising the delegated authority approved by your Board on June 10, 2008, to increase or decrease contract obligations for all Drug/Medi-Cal (DMC) agreements, following notification to County Counsel, the Chief Executive Office, and your Board.

Pursuant to the federal ruling of <u>Sobky v. Smoley</u>, counties are required to enter into agreements with all State-certified DMC service providers who request service contracts. Moreover, when these agencies request additional funds necessary to provide services to persons eligible for DMC program services, counties are required to amend the DMC agreements to reflect the additional services and funding. Under this federal ruling, counties have no basis to deny reimbursement for services if the contractor is in full compliance with contractual requirements.

Under the delegated authority referenced above, I will execute the following DMC amendments for the term July 1, 2010 through June 30, 2011; 100 percent offset by federal and State funds:

- Agreement Number PH-000462 with Matrix Institute on Addictions to increase the funding by \$12,000, increasing the fiscal year (FY) 2010-11 obligation from \$700,000 to \$712,000, to provide Narcotic Treatment Program services; and
- Agreement Number PH-000364 with Community Alcohol and Drug Treatment Foundation to increase the funding by \$166,272, increasing the FY 2010-11 obligation from \$2,148,728 to \$2,315,000, to provide Outpatient Drug Free and Day Care Habilitative services.

On June 7, 2011, your Board approved the renewal of these agreements for an additional three years, effective July 1, 2011 through June 30, 2014.

County Counsel has reviewed and approved the amendments as to form and this delegated action.

If you have any questions or need additional information, please let me know.

JEF: ilm

c: Chief Executive Officer County Counsel Executive Officer, Board of Supervisors